

104<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 2532

To provide marketing loans and a total acreage base for the 1996 through 2002 crops of upland cotton, feed grains, rice, oilseeds, and wheat, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

OCTOBER 25, 1995

Mr. MINGE (for himself, Mr. JOHNSON of South Dakota, Mr. PETERSON of Minnesota, Mr. POMEROY, Mr. HOLDEN, Mr. HILLIARD, and Mr. WILLIAMS) introduced the following bill; which was referred to the Committee on Agriculture

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## A BILL

To provide marketing loans and a total acreage base for the 1996 through 2002 crops of upland cotton, feed grains, rice, oilseeds, and wheat, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4       (a) SHORT TITLE.—This Act may be cited as the  
5       “Family Farm Empowerment Act of 1995”.

6       (b) TABLE OF CONTENTS.—The table of contents of  
7       this Act is as follows:

Sec. 1. Short title; table of contents.

- Sec. 2. Marketing loans for 1996 through 2002 crops of certain agricultural commodities.
- Sec. 3. Total acreage base system.
- Sec. 4. Conforming amendments to current price support programs for program crops.
- Sec. 5. Elimination of acreage reduction programs.
- Sec. 6. Extension of cottonseed oil and sunflower oil export programs.
- Sec. 7. Suspension of permanent price support authority.
- Sec. 8. Removal of three-entity rule; direct attribution.

1   **SEC. 2. MARKETING LOANS FOR 1996 THROUGH 2002 CROPS**  
 2                           **OF CERTAIN AGRICULTURAL COMMODITIES.**

3           Title I of the Agricultural Act of 1949 (7 U.S.C.  
 4 1441 et seq.) is amended by adding at the end the follow-  
 5 ing:

6   **“SEC. 116. MARKETING LOANS FOR 1996 THROUGH 2002**  
 7                           **CROPS OF CERTAIN AGRICULTURAL COM-**  
 8                           **MODITIES.**

9           “(a) DEFINITIONS.—For the purposes of this section:

10                   “(1) COVERED COMMODITIES.—The term ‘cov-  
 11           ered commodities’ means rice, upland cotton, feed  
 12           grains, wheat, and oilseeds.

13                   “(2) FEED GRAINS.—The term ‘feed grains’  
 14           means corn, grain sorghums, barley, oats, and rye.

15                   “(3) OILSEEDS.—The term ‘oilseeds’ means  
 16           soybeans, sunflower seeds, canola, rapeseed, saf-  
 17           flower, flaxseed, mustard seed, and such other oil-  
 18           seeds as the Secretary may designate.

19           “(b) MARKETING LOANS.—

20                   “(1) AVAILABILITY.—The Secretary shall make  
 21           available to eligible producers on a farm a

1 nonrecourse marketing loan for each of the 1996  
2 through 2002 crops of covered commodities pro-  
3 duced on the farm. The term of the marketing loan  
4 shall be 15 months in length.

5 “(2) ELIGIBLE PRODUCERS.—To be eligible for  
6 a loan under this subsection, the producers on a  
7 farm may not plant covered commodities on a farm  
8 in excess of the total acreage base of the farm, as  
9 determined under section 503.

10 “(3) LOAN RATE.—Loans made under this sub-  
11 section shall be made at the rate of 115 percent of  
12 the simple average national price received by produc-  
13 ers of the covered commodity, as determined by the  
14 Secretary, during the marketing years for the imme-  
15 diately preceding 5 crops of the covered commodity,  
16 excluding the year in which the average price was  
17 the highest and the year in which the average price  
18 was the lowest in such period.

19 “(c) LIMITATION ON TOTAL VALUE OF MARKETING  
20 LOANS.—The combined annual value of loans made to a  
21 producer under subsection (b) may not exceed \$175,000.

22 “(d) REPAYMENT.—

23 “(1) REPAYMENT RATE.—Producers on a farm  
24 may repay loans made under subsection (b) for a  
25 covered commodity at a level that is the lesser of—

1           “(A) the loan rate determined for the com-  
2           modity; or

3           “(B) the prevailing domestic market price  
4           for the commodity, as determined by the Sec-  
5           retary.

6           “(2) PREVAILING DOMESTIC MARKET PRICE.—  
7           The Secretary shall prescribe by regulation—

8           “(A) a formula to determine the prevailing  
9           domestic market price for each covered com-  
10          modity, which may include adjustments for dif-  
11          ferences in quality but not for differences in lo-  
12          cation; and

13          “(B) a mechanism by which the Secretary  
14          shall announce periodically the prevailing do-  
15          mestic market prices established under this sub-  
16          section.

17          “(e) ADJUSTMENT ACCOUNT.—

18          “(1) ESTABLISHMENT.—The Secretary shall es-  
19          tablish an Adjustment Account, which shall be used  
20          to make—

21          “(A) payments to producers of the 1996  
22          through 2002 crops of covered commodities who  
23          participate in the marketing loan program es-  
24          tablished under subsection (b); and

1           “(B) payments to producers of the 1994  
2           and 1995 crops of covered commodities that are  
3           authorized under sections 101B, 103B, 105B,  
4           107B, and 205, but not paid before the date of  
5           the enactment of this section.

6           “(2) AMOUNT IN ACCOUNT.—The Secretary  
7           shall transfer into the Adjustment Account from  
8           funds of the Commodity Credit Corporation such  
9           sums as shall be necessary to implement this section  
10          and make marketing loans available under sub-  
11          section (b).

12          “(3) AVAILABILITY OF FUNDS.—Funds in the  
13          Adjustment Account shall remain available until ex-  
14          pended.

15          “(f) ADVANCE PAYMENT.—At the request of a pro-  
16          ducer who intends to obtain a marketing loan under sub-  
17          section (b) for a crop of a covered commodity, the Sec-  
18          retary shall make available to the producer in advance of  
19          planting not more than 10 percent of the projected mar-  
20          keting loan for that crop year.

21          “(g) MARKETING LOAN DEFICIENCY PAYMENTS.—

22                 “(1) IN GENERAL.—For each of the 1996  
23                 through 2002 crops of covered commodities, the Sec-  
24                 retary may make payments available to producers  
25                 who, although eligible to obtain a marketing loan

1 under subsection (b), agree to forego obtaining the  
 2 loan in return for payments under this subsection.

3 “(2) COMPUTATION.—A payment under this  
 4 subsection shall be computed by multiplying—

5 “(A) the loan payment rate; by

6 “(B) the quantity of the covered commod-  
 7 ity which the producer is eligible to place under  
 8 loan but for which the producer foregoes ob-  
 9 taining the loan in return for payments under  
 10 this subsection.

11 “(3) LOAN PAYMENT RATE.—For purposes of  
 12 this subsection, the loan payment rate shall be the  
 13 amount by which—

14 “(A) the loan rate for the commodity de-  
 15 termined under subsection (b); exceeds

16 “(B) the repayment rate for the commod-  
 17 ity determined under subsection (d).”.

18 **SEC. 3. TOTAL ACREAGE BASE SYSTEM.**

19 (a) DEFINITIONS.—Section 502 of the Agricultural  
 20 Act of 1949 (7 U.S.C. 1462) is amended by striking para-  
 21 graph (3) and inserting the following new paragraphs:

22 “(3) FEED GRAINS.—The term ‘feed grains’  
 23 means corn, grain sorghums, barley, oats, and rye.

1           “(4) COVERED COMMODITY.—The term ‘cov-  
2       ered commodity’ means rice, upland cotton, feed  
3       grains, wheat, or oilseeds.”.

4       (b) CROP ACREAGE BASE.—Section 503 of such Act  
5       (7 U.S.C. 1463) is amended—

6           (1) in subsection (a)—

7                (A) by striking paragraph (1) and insert-  
8                ing the following new paragraph:

9                “(1) IN GENERAL.—The Secretary shall provide  
10              for the establishment and maintenance of a total  
11              crop acreage base for covered commodities, including  
12              any covered commodity crop produced under an es-  
13              tablished practice of double cropping”; and

14              (B) in paragraph (2), by striking “The  
15              sum of the crop acreage bases” and inserting  
16              “The total crop acreage base”;

17           (2) by striking subsection (b) and inserting the  
18       following:

19       “(b) CALCULATION.—The total crop acreage base for  
20       a farm for a crop year shall be the number of acres that  
21       is equal to the average of the acreage planted and consid-  
22       ered planted to one of the covered commodity crops for  
23       harvest on the farm in each of the 5 crop years preceding  
24       that crop year.”;

25           (3) by striking subsection (g); and

1 (4) in subsection (h)—

2 (A) by striking “(1) IN GENERAL.—”; and

3 (B) by striking paragraph (2).”.

4 (c) APPLICATION OF TITLE.—Section 509 of such  
5 Act (7 U.S.C. 1469) is amended by striking “1991  
6 through 1997 program crops” and inserting “1991  
7 through 2002 crops of covered commodities”.

8 **SEC. 4. CONFORMING AMENDMENTS TO CURRENT PRICE**  
9 **SUPPORT PROGRAMS FOR PROGRAM CROPS.**

10 (a) WHEAT 0/85 PROGRAM.—Section 107B(c)(1)(E)  
11 of the Agricultural Act of 1949 (7 U.S.C. 1445b–  
12 3a(c)(1)(E)) is amended by striking “through 1997” in  
13 clauses (i) and (vii) each place it appears and inserting  
14 “and 1995”.

15 (b) FEED GRAINS 0/85 PROGRAM.—Section  
16 105B(c)(1)(E) of such Act (7 U.S.C. 1444f(c)(1)(E)) is  
17 amended by striking “through 1997” in clauses (i) and  
18 (vii) each place it appears and inserting “and 1995”.

19 (c) COTTON PROGRAM.—Section 103B of such Act  
20 (7 U.S.C. 1444–2) is amended—

21 (1) in the section heading, by striking “1997”  
22 and inserting “1995”;

23 (2) in subsections (a)(1), (b)(1), (c)(1)(A),  
24 (c)(1)(B)(ii), and (o), by striking “1997” each place  
25 it appears and inserting “1995”;



1           (3) in subsection (c)(1)(D)(i) and  
2           (c)(1)(D)(v)(II) by striking “through 1997” each  
3           place it appears and inserting “and 1995”;

4           (4) in the heading of subsection  
5           (c)(1)(D)(v)(II), by striking “THROUGH 1997 CROPS”  
6           and inserting “AND 1995 CROPS”;

7           (5) in subsection (e)(1)(D), by striking “29½  
8           percent for each of the 1995 and 1996 crops, and  
9           29 percent for the 1997 crop” and inserting “29½  
10          percent for the 1995 crop”; and

11          (6) in subparagraphs (B)(i), (D)(i), (E)(i), and  
12          (F)(i) of subsection (a)(5), by striking “1998” each  
13          place it appears and inserting “1996”.

14          (d) RICE 50/85 PROGRAM.—Section 101B of such  
15          Act (7 U.S.C. 1441–2) is amended—

16               (1) in subsections (c)(1)(D)(i) and  
17               (c)(1)(D)(v)(II), by striking “through 1997” each  
18               place it appears and inserting “and 1995”; and

19               (2) in the heading of subsection  
20               (c)(1)(D)(v)(II), by striking “THROUGH 1997 CROPS”  
21               and inserting “AND 1995 CROPS”.

22          (e) OILSEEDS.—Section 205(c) of such Act (7 U.S.C.  
23          1446f(c)) is amended by striking “through 1997” both  
24          places it appears and inserting “and 1995”.

1 **SEC. 5. ELIMINATION OF ACREAGE REDUCTION PRO-**  
2 **GRAMS.**

3 (a) WHEAT.—Section 107B of the Agricultural Act  
4 of 1949 (7 U.S.C. 1445b–3a) is amended by striking sub-  
5 section (e) and redesignating subsections (f) through (q)  
6 as subsections (e) through (p), respectively.

7 (b) FEED GRAINS.—Section 105B of such Act (7  
8 U.S.C. 1444f) is amended by striking subsection (e) and  
9 redesignating subsections (f) through (r) as subsections  
10 (e) through (q), respectively.

11 (c) COTTON.—Section 103B of such Act (7 U.S.C.  
12 1444–2) is amended by striking subsection (e) and red-  
13 ignating subsections (f) through (o) as subsections (e)  
14 through (n), respectively.

15 (d) RICE.—Section 101B of such Act (7 U.S.C.  
16 1441–2) is amended by striking subsection (e) and red-  
17 ignating subsections (f) through (n) as subsections (e)  
18 through (m), respectively.

19 **SEC. 6. EXTENSION OF COTTONSEED OIL AND SUNFLOWER**  
20 **OIL EXPORT PROGRAMS.**

21 Section 301(b)(2)(A) of the Disaster Assistance Act  
22 of 1988 (7 U.S.C. 1464 note) is amended by striking  
23 “through 1995” and inserting “through 2002”.

24 **SEC. 7. SUSPENSION OF PERMANENT PRICE SUPPORT AU-**  
25 **THORITY.**

26 (a) WHEAT.—

1           (1) NONAPPLICABILITY OF CERTIFICATE RE-  
2       QUIREMENTS.—Sections 379d through 379j of the  
3       Agricultural Adjustment Act of 1938 (7 U.S.C.  
4       1379d–1379j) shall not be applicable to wheat proc-  
5       essors or exporters during the period June 1, 1995,  
6       through May 31, 2003.

7           (2) SUSPENSION OF LAND USE, WHEAT MAR-  
8       KETING ALLOCATION, AND PRODUCER CERTIFICATE  
9       PROVISIONS.—Sections 331 through 339, 379b, and  
10      379c of the Agricultural Adjustment Act of 1938 (7  
11      U.S.C. 1331 through 1339, 1379b, and 1379c) shall  
12      not be applicable to the 1996 through 2002 crops of  
13      wheat.

14          (3) SUSPENSION OF CERTAIN QUOTA PROVI-  
15      SIONS.—The joint resolution entitled “A joint reso-  
16      lution relating to corn and wheat marketing quotas  
17      under the Agricultural Adjustment Act of 1938, as  
18      amended”, approved May 26, 1941 (7 U.S.C. 1330  
19      and 1340), shall not be applicable to the crops of  
20      wheat planted for harvest in the calendar years 1996  
21      through 2002.

22          (4) NONAPPLICABILITY OF SECTION 107 OF THE  
23      AGRICULTURAL ACT OF 1949.—Section 107 of the  
24      Agricultural Act of 1949 (7 U.S.C. 1445a) shall not

1 be applicable to the 1996 through 2002 crops of  
2 wheat.

3 (b) FEED GRAINS.—

4 (1) NONAPPLICABILITY OF SECTION 105 OF THE  
5 AGRICULTURAL ACT OF 1949.—Section 105 of the  
6 Agricultural Act of 1949 (7 U.S.C. 1444b) shall not  
7 be applicable to the 1996 through 2002 crops of  
8 feed grains.

9 (2) RECOURSE LOAN PROGRAM FOR SILAGE.—  
10 Section 403 of the Food Security Act of 1985 (7  
11 U.S.C. 1444e-1) is amended by striking “1996” and  
12 inserting “2002”.

13 (c) OILSEEDS.—Section 201(a) of the Agricultural  
14 Act of 1949 (7 U.S.C. 1446(a)) is amended by striking  
15 “oilseeds” and all that follows through “determine),”.

16 **SEC. 8. REMOVAL OF THREE-ENTITY RULE; DIRECT ATTRI-**  
17 **BUTION.**

18 Section 1001A of the Food Security Act of 1985 (7  
19 U.S.C. 1308-1) is amended by striking subsection (a) and  
20 inserting the following new subsection:

21 “(a) DIRECT CONTRIBUTION.—In the case of pay-  
22 ments specified in paragraphs (1) and (2) of section 1001,  
23 the Secretary shall attribute—

24 “(1) payments received by an individual directly  
25 to the individual; and

1           “(2) payments received by an entity to individ-  
2           uals who own the entity in proportion to the owner-  
3           ship interest of the individual in the entity.”.

